Healthcare Reform Overview: Changes and Impacts

Long Term Care Integration Project

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Objectives

- Provide an overview of the Patient Protection and Affordable Care Act (PPACA)
- Medi-Cal: What is changing and what is staying the same
- Medicare: What is changing and what is staying the same
- Low Income Health Program
- County Medical Services
- County response to healthcare reform



How does the PPACA translate in CA?





Prevention and Public Health Fund

- Medi-Cal being expanded to new populations
- 1 in 6 San
 Diegans will
 now be on
 Medi-Cal (up
 from 1 in 8)

- California's new health insurance exchange
- 1 in 9 San Diegans are projected to purchase products via exchange

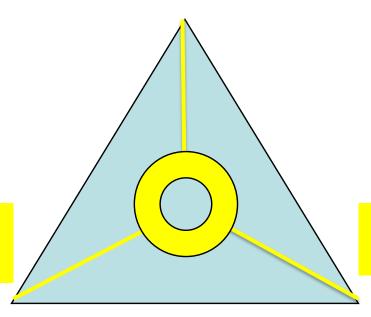
- Funds community and state prevention;
- Tobacco prevention;
- Obesity prevention;
- Access to wellness & preventive services;
- Behavioral health integration;
- Public health infrastructure and training; and
- Research and tracking.





The Triple Aim

Better Health for the Population



Lower Costs per Capita

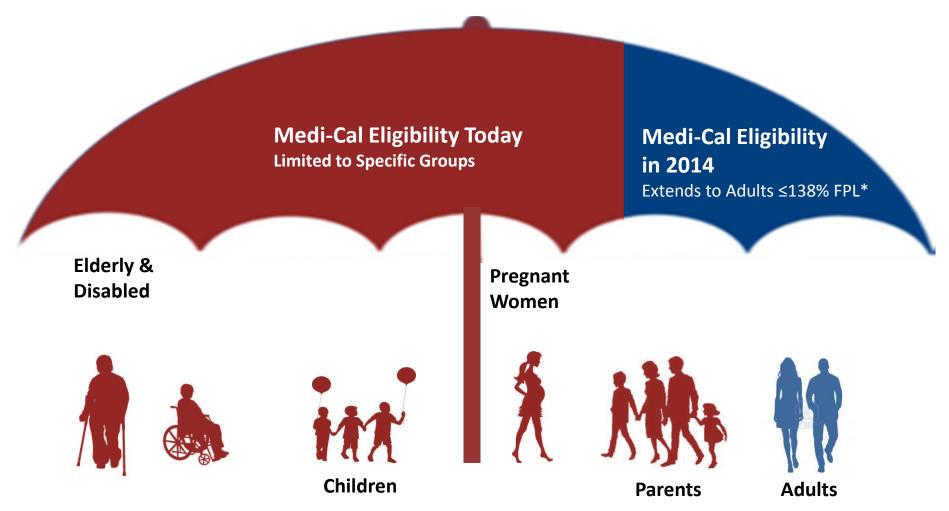
Better Care for Individuals







Medi-Cal Eligibility Expanded to Fill Coverage Gaps for Adults







Medi-Cal Expansion

Medi-Cal Today

Medi-Cal coverage for adults is limited to:

- Adults aged 65 and older
- Persons blind or with disability
- Adults who have at least one child in the home that meets deprivation requirements
- Pregnant Women
- Adults in Long term Care
- Foster Youth to Age 21
- Children Under 21

2014 and Beyond

Most childless adults who are at or below 138% of FPL will qualify for Medi-cal.

- Adults aged 65 and older
- Persons blind or with disability
- Adults who have at least one child in the home that meets deprivation requirements
- Pregnant Women
- Adults in Long term Care
- Foster Youth to Age 26 if they were enrolled in Medi-Cal at age 18
- Children Under 21





Private Insurance (400% +)

APTC/CSR(200%-400%) FPL

Advanced Premium Tax Credit/Cost Sharing Reduction

Proposed Bridge Health Plan (139%-200%) FPL

MAGI Medi-Cal

(Modified Adjusted Gross Income)

(0-138%) FPL

Non-MAG Medi-Cal





MAGI Medi-Cal Groups

 MAGI is the new methodology for determining household composition and family size by using countable income for tax purposes

MAGI	Description	Federal Poverty Level
Childless Adults	Individuals between 19 and 64 years of age	Up to 138%
Parents and Caretaker Relatives	Parents and caretaker relatives with a dependent child	Up to 138%
Children	Infants and children under age 19	Up to 250%
Pregnant Women	Pregnant and post-partum women for pregnancy services or full scope benefits	0 - 138% (full scope) 139%- 200% (pregnancy services only)





Non-MAGI Medi-Cal Groups

- Non-MAGI is the new term for the existing Medi-Cal programs that will not follow MAGI rules
- Asset tests are still required for these programs

Supplemental Security Income recipients

Foster Care

Aged (65 or over), Blind or Disabled not entitled to Medicare

Long Term Care (LTC)

Home and Community Based Waiver

250% Working Disabled

Disabled Adult Children not entitled to Medicare

Pickle Program

CalWORKS





Medicare and PPACA

- Medicare isn't part of the Health Insurance Marketplace, so a Medicare beneficiary won't need to do anything. You are considered covered if have Medicare.
- The Marketplace won't affect one's Medicare choices, and benefits won't be changing.
- The Marketplace does not offer Medicare supplement (Medigap) insurance or Part D drug plans. For information on these programs, visit Medicare.gov or contact the Health Insurance Counseling and Advocacy Program (HICAP).





Coordinated Care Initiative (CCI) – Cal MediConnect

- Dual Eligibles a high priority for CMS
 - Medicare-Medicaid Coordination Office created by ACA
 - With CMMI testing new approaches to care coordination
- California one of ~20 states participating
 - Goal: integrate Medicare, Medi-Cal, and Medi-Cal long-term services and supports (LTSS) to create patient-centered coordinated care delivery that will improve quality while reducing fragmentation and cost
 - MOU signed with CMS on March 27, 2013; CA one of 6 states to sign
 - ~456,000 beneficiaries will participate
 - Enrollment begins no earlier than April 1, 2014
- San Diego one of 8 counties participating
 - 4 health plans: Care First, Community Health Group, Health Net, and Molina
 - ~46,000 beneficiaries





Legal Permanent Residents

Legal California residents are eligible to apply for:

- Medi-Cal (0 138% FPL)
- Covered California insurance plans and tax credits (139 – 400% FPL)

Effective 1/1/14, Medi-Cal coverage will extend to newly qualified legal immigrant adults (residency less than 5 years) and eventually migrate to a plan in Covered California when 'Wrap Program' is established





Undocumented Immigrants

- Most eligible for Emergency or Limited Scope Medi-Cal only
- Not eligible for the Covered California plans
- Not subject to the individual mandate
- Young people DACA (Deferred Action for Childhood Arrivals) will be eligible for full scope Medi-Cal beginning January 1, 2014. The individual must be under age 31 as of June 15, 2012 and have an approved DACA application (see US Citizenship & Immigration Services website)





Low Income Health Program (LIHP)

- Created under California's "Bridge to Reform" Medicaid
 Section 1115 Waiver to prepare for Medi-Cal expansion
- Enrolls uninsured adult county residents with incomes <133%
 FPL to provide medical care and limited mental health services
- Uses a network of local service providers
 - 22 hospital sites (13 hospital organizations)
 - > 58 community health clinic sites (16 parent organizations)
 - 20 mental health clinics
 - > 122 specialty groups, including more than 345 individual providers
- Enrollment has grown from 14,000 in July 2011 to more than 40,563 in October 2013
- All LIHP enrollees will transition to MediCal January 1, 2014





LIHP Transition

- LIHP Program ends December 31, 2013
- Projected 45,000 enrollees transitioning to Medi-Cal Managed Care on January 1, 2014
- 5 Medi-Cal Managed Care Health Plans in Healthy San Diego
 - Care1st Health Plan
 - Community Health Group
 - Molina Healthcare
 - Health Net
 - Kaiser Permanente
- Established Local Transition Team
 - Continuity of Care and Communication Workgroups to assure smooth transition
 - Healthy San Diego Health Care Options (HCO) staff will assist enrollees with education and health plan choices





County Medical Services (CMS) Program

- County Section 17000 Indigent Care obligation remains even after PPACA coverage expansion
 - Active CMS participants have declined from >4,000 in July 2011 to ~2,000 as LIHP has grown
- CMS Program will continue to serve residents of San Diego who
 - Meet income eligibility requirements (0 350% FPL) and are not enrolled in Covered California
 - Missed Open Enrollment period and do not have a qualifying event
 - Refuse to apply for Covered California
 - Not willing to pay monthly premium
- HHSA Health Care Reform Committee established
 - Reviewing CMS Program for possible changes
 - Data analysis to forecast number remaining uninsured



Messages Being Communicated to the Public

- Key "call to action": those without insurance should contact Covered California
- Outward-facing County website under development to include information on PPACA — what it does, what it does not do, & what the County's role is
- Leveraging relationships with community partners funded by Covered California, the California Endowment, etc. for outreach and targeted communication
- Reaching out to Advisory Boards to ensure messaging efforts are aligned





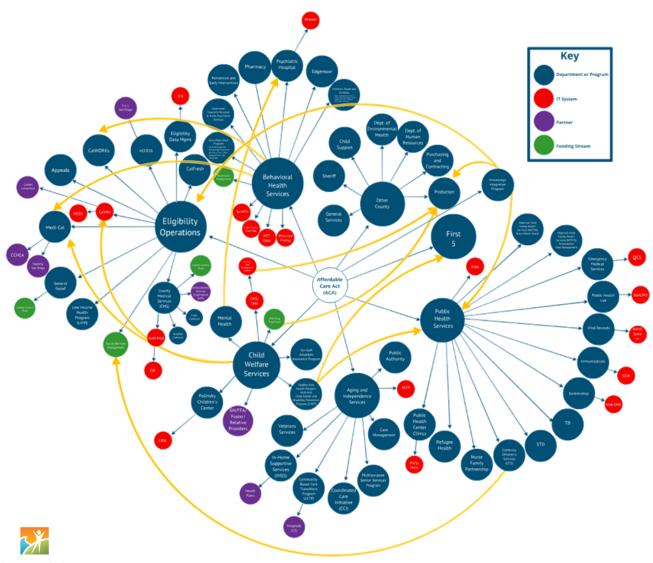
Unknowns and Challenges

- Actual enrollment in new coverage options unknown and hard to predict
- Processes for expanded Medi-Cal enrollment will be manual, not automated during first few months
- Funding for Medi-Cal administration being increased, while Realignment funds are decreased with coverage expansion
- Impact to existing programs (increase or shrinkage)
- Unknown size and costs of County Medical Services (CMS) program
- Uncertainty surrounding immigration reform linked with refugee needs





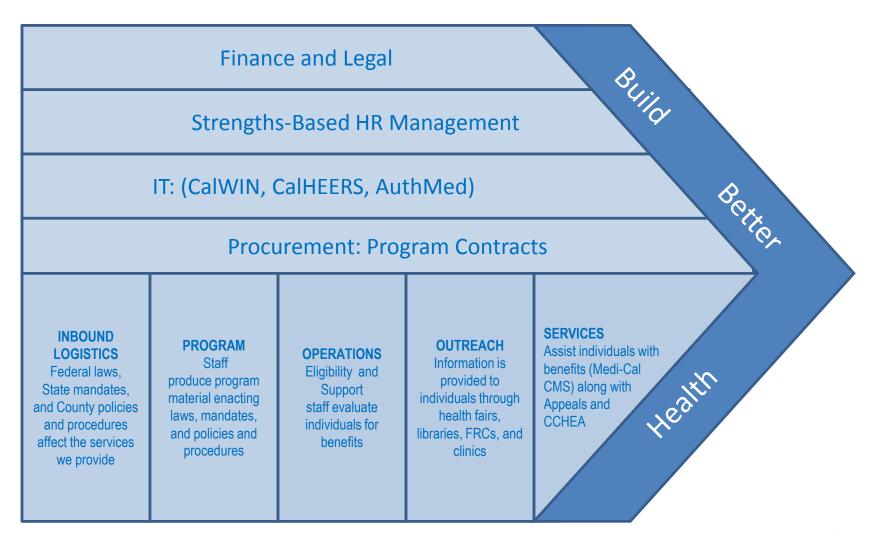
Integration of services and communication across service areas will be critical:







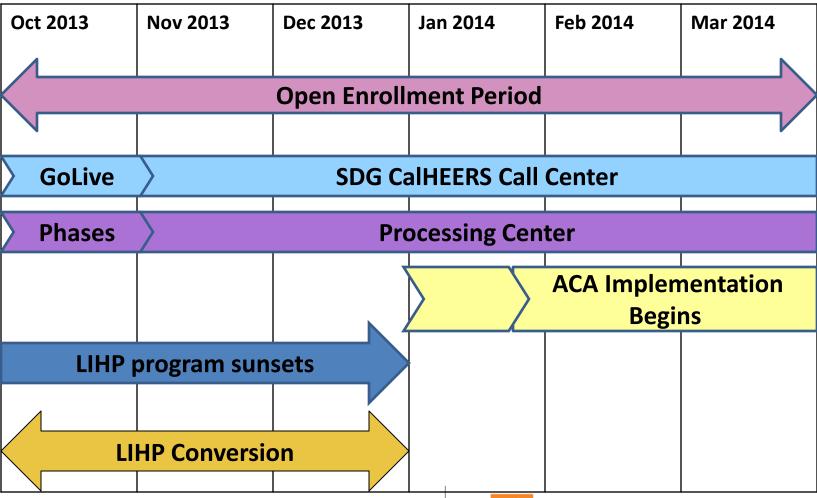
HHSA's Value Chain







Implementation Timeline







Call Routing

Covered California

1-800 Number

2 State and 1 County Operated Covered California Customer Service Centers

Covered California Agent Answers the Call

Agent conducts Quick Sort, and if indicated, routes call to County Customer Service Network with county of residence and language choice

Warm Handoff

County Customer Service Networks

Los Angeles 3 Service Centers CalWIN 18 Service Centers Serving 18 Counties C-IV 9-13 Service Centers Serving 39 Counties

County Agent Assists Caller with all their Needs





Delivery System Transformation in ACA

- Center for Medicare and Medi-Cal Innovation (CMMI)
 - Test new payment and service delivery models
 - Evaluate results and advance best practices
 - Engage a broad range of stakeholders
- Community-Based Care Transitions Program (CCTP)
 - San Diego Care Transitions Partnership: HHSA Aging and Independence Services, Palomar Health, Scripps Health, Sharp Health, and UC San Diego Health System – 11 hospitals/13 sites
 - Reduce 30-day all-cause hospital readmissions by 20% for almost 21,000 fee-for-service Medicare beneficiaries in 2 years
- California Coordinated Care Initiative (CCI) /Cal Medi-Connect
 - San Diego 1 of 8 counties participating to create patient- centered coordinated care for ~46,000 "dual eligibles"
 - 4 health plans will integrate Medicare, Medi-Cal, and Medi-Cal Long Term
 Services & Supports (LTSS)

San Diego Public Health Grants

Community Transformation Grant (CTG)

- Support the reduction of tobacco use, increase healthy eating and activity, and reduce inequities
- Support the implementation of community prevention activities that have broad impact
- San Diego awarded a CTG in 2011 \$3.05 million/year for 5 years

Public Health Infrastructure and Training

- Advance health promotion and disease prevention at local level through information technology, workforce training, and policy development
- Build state and local capacity to prevent, detect, and respond to infectious disease outbreaks
- National Public Health Improvement Initiative \$1.1 million grant to San Diego over 5 years



Q & A

Aligning with



Building Better Delivery System

Building Better Health

Living Safely

Thriving



